



**STATEMENT OF PROCEEDINGS FOR THE
SPECIAL MEETING OF THE
LOS ANGELES COUNTY AUDIT COMMITTEE**

**KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 743
LOS ANGELES, CALIFORNIA 90012**

Wednesday, June 1, 2011

10:30 AM

Present: Member Ollague, Member Mandel, Member Berberian, Member
Drew Ivie and Member Cooper

Excused: Member Ippolito

Call to Order (11-2599)

The meeting was called to order by Helen Berberian at 10:35 a.m. She announced, as of June 1, 2011 all meetings will be conducted by Consent Calendar.

I. ADMINISTRATIVE MATTERS

1. Approval of the March 2, 2011 meeting minutes. (11-1435)

On motion of Helen Berberian, seconded by Lisa Mandel, this item was approved.

Attachments: [SUPPORTING DOCUMENT](#)

II. OLD BUSINESS

2. Fiscal Review of Ashe, Incorporated - A Group Home Foster Care Contractor (A-C 12/13/10) (Continued from meeting of 12/1/10 and 3/2/11). (11-0093)

Cynthia McCoy-Miller, Department of Children and Family Services (DCFS), reported \$81,258 was identified in unallowable/unsupported costs however the Auditor-Controller (A-C) accepted supporting documentation adjusting the amount to \$28,258. Multiple Counties are involved in the resolution and the A-C is working with DCFS to determine their cost allocation. It was noted that Ashe Inc. is one of the few agencies that accepts the most difficult kids.

After discussion, Helen Berberian requested DCFS refer to A-C prior to

finalizing their report and include outstanding findings on money from the fiscal audit. Don Chadwick, A-C indicated DCFS should site the audit report they will be referring to.

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

- 3.** Fiscal Review of Child's Homes for Children - A Group Home Foster Care Contractor (A-C 12/17/10) (Continued from meeting of 12/1/10 and 3/2/11). (11-0087)

Cynthia McCoy-Miller reported an outstanding balance of \$6,831. This matter was submitted to the Treasurer and Tax Collector's outside collection agency on March 23, 2011. The collection agency as of May 27, 2011, has not made any contact with the GH.

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

- 4.** Fiscal Review of Personal Involvement Center, Incorporated - A Foster Family Agency Foster Care Contractor (A-C 1/13/11) (Continued from meeting of 3/2/11). (11-0427)

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

- 5.** Fiscal Review of Excel Family Intervention, Incorporated - A Foster Family Agency Foster Care Contractor (A-C 1/31/11) (Continued from meeting of 3/2/11). (11-0678)

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)
[SUPPORTING DOCUMENT](#)

- 6.** Final Report on Investigating Child Abuse in County-Contracted Foster Care Facilities (Board Agenda Item 33, March 23, 2010) (CEO 2/17/11) (Continued from meeting of 3/2/11). (11-0966)

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

III. REPORTS

7. Turmont Home For Boys and Girls Program Contract Compliance Monitoring Review (DCFS 2/28/11 and 4/27/11). (11-2533)

Lisa Mandel addressed concerns regarding the timing of reports and the delay in reporting the findings. She also questioned what steps DCFS is taking to ensure agencies get the help they need to get on track in providing better services.

Karen Richardson, DCFS informed the Committee that a workgroup has been created to review the NSP template and ensure it is easy to use. They will begin retraining agencies this month. Aggie Alonso, A-C offered to assist DCFS in the second phase of the training since they were part of the workgroup that created the template.

Lisa Campbell, Probation explained that the Transitional Independent Living Plan (TILP) is strictly for children 16 and over that are going into transition, the Case plan is completed by the Probation Officer and the Social Worker, and the Needs and Services Plan (NSP) is prepared by the Group Home Clinical Staff. These plans are State and Federal mandates. Mr. Alonso suggested departments work together and will speak with County Counsel to possibly modify contract language if needed.

Mr. Alonso suggested preparing standardized, age appropriate goals for use when preparing the plans. Helen Berberian agreed and suggested creating a universal template and offer training to everyone who writes the plans. Ms. Berberian also recommended Kerri Miller of the Chief Executive Office join the workgroup to provide the countywide work prospective.

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)
[SUPPORTING DOCUMENT](#)

8. Pennacle Foundation Group Home Program Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2535)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

9. Maryvale Program Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2537)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

10. Los Angeles Youth Network Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2539)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

11. Little People's World Group Home Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2541)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

12. Jr. Blind of America Group Home Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2542)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

13. Garces Residential Care Services Inc. D.B.A. Bright Horizons Group Home, Program Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2543)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

14. Counseling And Research Associates dba Masada Home Program Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2544)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

15. Bayfront Youth and Family Services Group Home Program Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2545)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

16. Aviva Children and Family Services Program Contract Compliance Monitoring Review (DCFS 2/28/11). (11-2546)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

17. Macro Group Home Program Contract Compliance Monitoring Review (DCFS 3/1/11). (11-2538)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

18. Moore's Cottage Group Home Program Contract Compliance Monitoring Review (DCFS 3/2/11). (11-2536)

The Committee requested DCFS to provide a follow-up report at the next meeting on the full implementation of the approved Corrective Action Plan issued to Moore's Cottage Group Home in February 2011.

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

19. Serenity Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 3/9/11). (11-1195)

Don Chadwick, A-C reported the agency is complying with the County's contract and there aren't any significant issues outstanding.

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

20. Bayfront Youth and Family Services Contract Review - A Department of

Children and Family Services Provider (A-C 3/9/11). (11-1432)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

21. Pioneer Boys Ranch Group Home Contract Compliance Monitoring Review (DCFS 3/9/11) (11-2534)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

22. Dangerfield Institute of Urban Problems Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 3/11/11). (11-1433)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

23. Aiming High Treatment Center Sites I & II Group Home Monitoring Review (PROB 3/29/11). (11-2158)

Lisa Campbell, Probation reported the agency has corrected all areas of concern. The Probation department conducts annual site visits and the DPO's are aware they are the first line of quality assurance. She also informed the Committee that during the visits the kids provide a lot of useful information about the GH.

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

24. Child and Family Center Contract Review - A Department of Children and Family Services and Mental Health Service Provider (A-C 4/4/11). (11-2154)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

25. Florence Crittenton Services of Orange County, Inc. DBA Crittenton Services for Children and Families Contract Review - A Department of Children and Family Services and Mental Health Service Provider (A-C 4/5/11). (11-2156)

Karen Richardson, DCFS reported the agency has reimbursed the County \$37,000. Cynthia McCoy-Miller, DCFS reported a letter was sent to the agency indicating they had ten working days to return the full amount of unspent funds to the County.

Lisa Mandel questioned why the agency is not utilizing the \$200,000 in unspent Wrap-around funds for programs. Karen Richardson reported that usually in the agencies first year they are recruiting kids and all funds are not spent. During DCFS' monitoring of the agencies, the efforts to recruit kids are increasing and they will more than likely use more money next year.

In response to Louisa Ollague, Lisa Campbell, Probation advised that the Florence Crittenton is one of two who cater to the pregnant females.

The Committee requested a follow-up report on the repayment of unspent funds and status on the Wrap-around services at the next meeting. Also, staff was asked to group fiscal and program reports for same agencies under one item on future agendas. Don Chadwick asked the Committee to also review inventory of reports and any fiscal challenges on this agency.

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)
 [SUPPORTING DOCUMENT](#)

26. Children's Bureau of Southern California Contract Review - A Department Of Children and Family Services and Mental Health Service Provider (A-C 4/15/11). (11-2157)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

27. Dangerfield Institute of Urban Problems Contract Compliance Monitoring Review (DCFS 4/27/11). (11-2241)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

28. Life Circle Group Home Contract Compliance Monitoring Review (DCFS

4/27/11). (11-2247)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

29. San Gabriel Children's Center Contract Compliance Monitoring Review (DCFS 4/27/11). (11-2249)

Karen Richardson, DCFS reported they will conduct a follow-up visit in August 2011 and assess for full implementation of the provider's approved CAP. DCFS will provide a report at the next meeting.

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

30. Olive Crest Treatment Center Group Home Contract Compliance Monitoring Review (DCFS 4/28/11). (11-2248)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

31. Eggleston Youth Center Group Home Contract Compliance Monitoring Review (DCFS 4/28/11). (11-2548)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

32. Children's Homes of Southern California Program Contract Compliance Monitoring Review (DCFS 5/2/11) (11-2549)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

33. Luvlee's Residential Care, D.B.A. New Dawn Group Homes Program Contract Compliance Monitoring Review (DCFS 5/6/11). (11-2608)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

34. Rancho San Antonio Boys Home, Inc. Fiscal Review - A Group Home Foster Care Contractor (A-C 5/11/11). (11-2368)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

35. McKinley Children's Center Group Homes Program Contract Compliance Monitoring Review (DCFS 5/11/11). (11-2607)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

36. Children Are Our Future Fiscal Review - A Group Home Foster Care Contractor (A-C 5/12/11). (11-2369)

Helen Berberian questioned whether there are any County stipulations for contracting with credit worthy agencies in bankruptcy. Lisa Campbell, Probation, reported that after conversations with Counsel, it was determined if the agency can remain solvent and kids are being taken care of the County can continue to contract with them.

Following discussion, Helen Berberian asked Counsel to define what it means to the County when a contractor files bankruptcy in the middle of the contract term. Tom Fagan, County Counsel, advised when one files a petition of bankruptcy it automatically stays efforts to collect a debt. The County could gather information to file a claim of money owed, which could to be factored into the bankruptcy settlement. In this case the County would be considered an unsecured creditor and may not do well in collecting a claim. Jim Schneiderman, explained that the agency future contract proceeds may be used to settle the agency's IRS debt and the County has a policy that contract funds cannot be used to pay their debt with money used for kids. Mr. Fagan responded that the County could revisit the contract to determine termination for convenience without lifting the stay or lift the stay to terminate the contract. Donna Doss, Treasurer Tax-Collector (TTC), explained TTC's bankruptcy process and is willing to assist DCFS on this issue.

The Committee would like to continue this item to the next meeting so that County Counsel, Auditor, and Treasurer Tax Collector can determine how kids continue to receive quality care if future County and State funds can be used settle bankruptcy debts. Also to provide status the

bankruptcy issue of this agency. Don Chadwick, A-C, reported in the past the Department requested the contractor provide a financial plan on how to payback the debt without using County funds.

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

- 37. Guardians of Love Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 5/12/11). (11-2370)**

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

- 38. Westside Children's Center Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 5/12/11). (11-2371)**

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

- 39. Greatest Love Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 5/12/11). (11-2372)**

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

- 40. Foster Family Network Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 5/12/11). (11-2373)**

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

- 41. Futuro Infantil Hispano Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 5/12/11). (11-2374)**

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

42. Secure Transitions Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 5/12/11). (11-2375)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

43. Five Acres Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 5/12/11). (11-2376)

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

44. Wings of Refuge Foster Family Agency Contract Review - A Department of Children and Family Services Provider (A-C 5/12/11). (11-2377)

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

45. Cunningham Group Home Fiscal Review - A Group Home Foster Care Contractor (A-C 5/12/11). (11-2378)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

46. Cunningham's Group Home Contract Compliance Monitoring Review (DCFS 5/12/11). (11-2610)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

47. Macro Homes, Incorporated - A Group Home Foster Care Contractor - Fiscal Review (A-C 5/17/11). (11-2403)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

48. McKinley Children's Center Foster Family Agency - A Department of Children

and Family Services Contract Service Provider - Contract Compliance Review (A-C 5/17/11). (11-2430)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

49. FamiliesFirst, Inc., (EMQ FamiliesFirst) - A Department of Mental Health and Department of Children and Family Services Contract Service Provider - Contract Compliance Review (A-C 5/17/11) (11-2431)

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

50. Star View Children and Family Services - A Department of Children and Family Services Contract Provider - Fiscal Review (A-C 5/17/11). (11-2432)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

51. Crittenton Services for Children and Families Group Homes Program Contract Compliance Monitoring Review (DCFS 5/17/11). (11-2609)

This item was discussed under item #25, a follow-up report will be provided at the next meeting.

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

52. Five Acres the Boys' and Girls' Aid Society of Los Angeles County - A Department of Mental Health and Department of Children and Family Services Contract Provider - Contract Compliance Review (A-C 5/19/11). (11-2591)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

53. Bienvenidos Foster Family Agency - A Department of Children and Family Services Contract Provider - Contract Compliance Review (A-C 5/25/11). (11-2547)

By common consent, there being no objection, this item was received and filed.

Attachments: [SUPPORTING DOCUMENT](#)

- 54.** Excel Family Intervention, Inc. Foster Family Agency - A Department of Children and Family Services Contract Service Provider - Contract Compliance Review (A-C 5/26/11). (11-2620)

By common consent, there being no objection, this item was continued to the next meeting.

Attachments: [SUPPORTING DOCUMENT](#)

IV. DISCUSSIONS

- 55.** County Counsel Overview of Senate Bill 84 (Steinberg) (11-2593)

Kelly Hardy, County Counsel provided an background and an overview of Senate Bill (SB) 84 and how it relates to overpayments in the area of the Auditor Controller. Prior to SB 84, there were no State statues and the County had an inability to collect from Foster Family Agencies (FFA) and Group Homes (GH) for overpayments. In 2002, the Improper Payments Act was passed by the Federal Government and in 2007 the response to the Act, was issued leading to the creation of SB 84 which provided the State to create regulations for collection of overpayment which included FFA /GH.

In May 2010, the Board of Supervisors adopted the regulations to collect on overpayments and the Auditor-Controller was given the responsibility to provide a series of discovery, implement a plan to discover overpayments, and required to conduct an analysis to determine if overpayments fit with the adopted regulations, to include allowable or disallowable cost. They must also provide a level of due process to the provider.

Under SB84, when an agency that has been audited and loses it license, or goes out of business prior to issuance of our audit report, A-C contacts the State and obtain their authorization to complete the audit and issue a report. If the State authorizes A-C to issue their report, the County is absolved of responsibility for repayment of the federal share (60%) of the questioned costs identified in that report. If the County issues a report without obtaining authorization from the State, the responsibility for repayment of the federal share would remain with the County.

56. Comprehensive Schedule of Audits and Results for DCFS Group Home and Foster Family Agency Contractors. (11-0965)

By common consent, there being no objection, the Committee continued this item to a Special meeting in June 2011.

Attachments: [SUPPORTING DOCUMENTS](#)

57. Status on Contract Language Changes to the Group Home and Foster Family Agency Form Contracts. (11-0969)

By common consent, there being no objection, the Committee continued this item to a Special meeting in June 2011.

58. Probation Group Home Monitoring Report. (11-0970)

By common consent, there being no objection, the Committee continued this item to a Special meeting in June 2011.

59. DCFS - Presentation on Steps Taken to Identify Prospective Contractors/Officers with a History of Serious Performance Deficiencies/Fiscal Improprieties. (11-1878)

By common consent, there being no objection, the Committee continued this item to a Special meeting in June 2011.

60. DCFS GH/FFA Fiscal Audits. (11-0971)

By common consent, there being no objection, the Committee continued this item to a Special meeting in June 2011.

V. MISCELLANEOUS

61. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (11-1259)

Jim Schneiderman recommended that the Committee consider meeting every other month due to the increase in reports. The Committee agreed to the recommendation and instructed staff to schedule a Special meeting in June to review the Discussion Items from the June 1, 2011 agenda.

Springsong Cooper suggested that Children Deputies email questions for upcoming meetings to department representatives prior to the meeting, so the department better prepare to provide a thorough report.

62. Public Comment (11-2590)

No members of the public addressed the Committee.

63. Adjournment (11-1260)

There being on further business to conduct, the meeting was adjourned at 12:21 p.m.